TALS-Allotments Policy Issues

Issue #3

Should allotments be prepared by activity as well as by program?

Current Policy

Agencies are not required to allot by activity.

Options

	Alternative 1	Alternative 2
Description	Provide allotment information by activity at a high level. This might be done with some kind of recast process or by using some kind of program index/activity crosswalk that could provide summary activity allotment information in reports in an automated way	Do not require allotment information by activity.
Benefits	- Provides more information to OFM analysts and the legislature that may be helpful in understanding the policy behind the allotment and the consistency with the policy expectations from budget development. It also sets a framework for developing better estimates of the actual costs of activities. - This information may also help agencies with preparation of budget requests.	No additional work for agencies.
Risks or Consequences	- Requires more effort for agencies in developing allotments. Through system development, this effort may be minimized. - This information may be of limited value if actual costs are not eventually recorded by activity as well. - Depending on the approach	- Continues to keep activity information confined to the budget arena. - Loss of comparison information if actual costs are eventually captured by activity at some level.

	Alternative 1	Alternative 2
	used, this could increase AFRS transaction costs, if the AFRS pricing approach remains the same.	
Implementation issues	- Need to confirm the level of detail for activity allotment data—if this option is selected. - Finding an approach that automates the development of the activity view as much as possible. For example, consider approaches now being explored in the chart of accounts study where a program index/activity code table or some other tool might be able to automate the activity cost assignment for reporting purposes.	
Critical success factors	Process is not burdensome for agencies	

Proposed Approach

Design the system to allow allotment data by activity, although consider capturing data at a relatively high level—by month (or by fiscal year) and account only.

Concerns/Comments from Stakeholders

LEAP staff have expressed an interest that OFM move in this direction—to move activity information beyond the budget request and into budget implementation. OFM has interest in this if the information can be obtained in a way not too burdensome for agencies.